



COUNCILMEMBER CARL DEMaIO

FIFTH DISTRICT
CITY OF SAN DIEGO

MEMORANDUM

DATE: April 13, 2009

TO: Honorable Mayor and City Council

FROM: Councilmember Carl DeMaio *Carl DeMaio*

RE: Report on Proposed New Downtown Library

We all share a commitment to a strong city library system -- with particular emphasis on protecting the hours and services at our branch libraries during this financial crisis. With that mutual commitment in mind, enclosed please find a report produced by my office that examines the ramifications of moving forward with a new Downtown Library -- both to construct the facility and to staff the facility.

How much would the proposed new downtown library cost the city given today's construction costs? That is a key question being asked of decision-makers and stakeholders alike. To help answer that question, and provide context for whether the city should expend any additional taxpayer monies on the proposal, this report provides an updated cost forecast in lieu of an entirely new construction cost estimate.

As outlined in the report, even without the addition of the proposed school-in-library concept, the cost to construct the new downtown library has likely increased to **\$208 million** in today's costs vs. \$185 million in 2005. When you add a school component, the costs for construction are much higher. It is important to keep in mind that construction costs are not the only financial issue to consider. Once built, the new downtown library will drive up annual operating costs -- a whopping \$29 million in first five years alone.

Finally, it is important to understand the true and full nature of the taxpayers' financial obligations on this project. While project boosters promised private donations to cover much of the construction costs, taxpayers are now on the hook for the majority of the costs (84% of project.)



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My hope is this report puts some helpful information on the table for the Mayor and the City Council to consider before we proceed forward with this financially questionable proposal for a new downtown library. Further, it is my recommendation that we instead focus our efforts on strongly supporting the city's branch library system. I look forward to working with you on this issue.

CC: Andrea Tevlin, Independent Budget Analyst